

THE TORONTO STOCK EXCHANGE

5/17/68

FILING STATEMENT NO. 1618.
FILED, JUNE 5th, 1968.

File

FIRST ORENADA MINES LIMITED (NO PERSONAL LIABILITY)

Incorporated as ORENADA GOLD MINES LIMITED (NO PERSONAL LIABILITY) by letters patent dated November 21, 1938, under The Quebec Mining Companies Act. Supplementary Letters Patent dated April 14, 1956 to change name to ORENADA MINES LIMITED (NO PERSONAL LIABILITY). Further Supplementary Letters Patent dated August 3, 1965 to change name to present name and to reorganize capital

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) Offering of rights to shareholders to purchase a maximum of 593,750 shares; (b) Underwriting agreement to ensure receipt of \$65,000 under such rights offering. Reference is made to Item 6 hereof. See Schedule "A" on page 3.
2. Head office address and any other office address.	Head Office: 22nd Floor - 630 Dorchester Blvd.W., Montreal 2, P.Q. Executive Office: Suite 908 - 330 Bay St., Toronto.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and a Director: <u>M. JAMES BOYLEN</u> , Prospector & Mining Executive, 35 Kingsway Cres., Toronto, Ont. Vice-Pres. and a Director: <u>MERRILL W. MacDowell</u> , Retired, 11 Granite Street, Brockville, Ontario. Vice-Pres. and a Director: <u>DAVID W. GORDON</u> , Mining Executive, 51 Alexander Street, Toronto, Ontario. Secretary-Treasurer and a Director: <u>GORDON L. MOORE</u> , 257 The East Mall, Islington, Ontario, Mining Exec. Director: <u>PHILIP E. BOYLEN</u> , Stockbroker, 95 Bayview Ridge Crescent, Willowdale, Ontario. Assistant Secretary: <u>CHARLES B. BRANNIGAN</u> , Mining Accountant, 40 Elvaston Drive, Toronto 16, Ontario.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 5,000,000 shares with a par value of \$1 each. Issued: 1,187,500 shares, all as fully paid.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	See Schedule "A" on page 3.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Those who have any interest direct or indirect in the underwriting agreement referred to in Item 6 hereof are those who are the shareholders of Mikaris Holdings Limited, the underwriter named therein. Such shareholders are David W. Gordon, 51 Alexander Street, Toronto 5, Ontario, Philip E. Boylen, 95 Bayview Ridge Crescent, Willowdale, Ontario, and James A. Boylen, R.R. No.2, Malton, Ontario. David W. Gordon is the Vice-President and a Director of First Orenada Mines Limited and Philip E. Boylen is a director of the Company. See Schedule "A" on page 3.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None

9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	See Schedule "B" on page 4.
10. Brief statement of company's chief development work during past year.	An airborne scintillometer survey was carried out over the 15 claim group at Johan-Beetz, Province of Quebec. No other exploration was done by the Company. An option on 31 claims in the Nipisquit River area of New Brunswick was dropped. The Bourlamaque, Quebec property, comprising 51 claims, has been maintained in good standing.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	None
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	22,500 shares in the capital of the Company are held in escrow by Crown Trust Company, 302 Bay Street, Toronto, Ontario, subject to release upon the written consent of the Toronto Stock Exchange and the Board of Directors, the Canadian Stock Exchange and the Vancouver Stock Exchange.
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	<p>Murray Watts, 55 Bayview Ridge, Willowdale, Ontario 10,125 shares</p> <p>E.T. Donaldson, 224 St. George Street, Toronto, Ontario. 10,125 "</p> <p>W.M. Gordon, 12 Richmond Street East, Toronto, Ontario. 1,125 "</p> <p>All of the above are believed to be beneficially owned by the registered holders.</p>
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>Houston & Co. Limited, Formerly of 335 Bay St., - 162,600 shares Toronto, Ontario.</p> <p>G.W. Nicholson & Co. Ltd., 67 Richmond Street West, - 91,925 shares Toronto, Ontario.</p> <p>R.A. Daly & Co. Limited, 44 King Street West, - 46,000 shares Toronto, Ontario.</p> <p>Fred M. Rose, 44 Empire Ave., - 40,000 shares St. John's, Newfoundland.</p> <p>Doherty, Roadhouse & McCuaig Bros., - 32,898 shares 335 Bay Street, Toronto.</p> <p>Of the shares registered in the name of Houston & Co. Ltd., 108,000 shares are beneficially owned by Lanson Holdings Limited. M. James Boylen, who is the President of First Orenada Mines Limited, is the controlling shareholder of Lanson Holdings Limited.</p>

SCHEDULE "A"

The Company will offer to its shareholders of record at a date to be fixed by the directors, the right to purchase at the price of 20¢ per share, one additional share in the capital of the Company for every two shares held at the record date. Subscriptions for fractional shares will not be accepted. The new issue will not be registered under The Securities Act of 1933 of the United States of America and the shares will not be offered to shareholders whose recorded addresses are in the United States or any of its territories or possessions. The rights to purchase such shares will be transferable and will be traded in on the Toronto, Canadian and Vancouver Stock Exchanges until shortly before they expire. There is understood to be no objection to a United States shareholder selling his rights. The offering of such shares will terminate four weeks after the record date. It is expected that the record date will be established as a date in late May or early June following acceptance for filing of notice of the proposed offering by the Toronto, Canadian and Vancouver Stock Exchanges, and exemption from registration for the shares to be offered to the shareholders under the Securities Acts of Ontario, Quebec and British Columbia.

Mikaris Holdings Limited, a registered underwriter under The Securities Act, 1966 (Ontario), acting as principal, has agreed with the Company to purchase at the said price of 20¢ per share at the termination of the aforesaid rights offering, such number of treasury shares of the Company (if any) the proceeds of which when added to the proceeds of the sale of shares upon exercise of rights of shareholders will provide the Company with the sum of \$65,000.00.

Any shares which the said underwriter may be called upon to purchase under its aforesaid commitment may be offered thereafter in primary distribution in Ontario only in accordance with the provisions of The Securities Act, 1966. If called upon to do so by the underwriter, the Company must file a Statement of Material Facts respecting such shares.

The Company is applying to the Ontario Securities Commission for an exemption from registration under The Securities Act, 1966, for the shares which shall be purchased by shareholders of the Company under the rights offering. The Company is making similar applications to the Quebec and British Columbia Securities Commissions. Mikaris Holdings Limited has undertaken not to sell any shares which it may be required to purchase, to residents of the Province of Quebec or on the Canadian Stock Exchange.

SCHEDULE "B"

The Company will receive at least \$65,000 as the proceeds from the sale of shares to be offered under the rights offering, because of the standby underwriting agreement with Mikaris Holdings Limited. It is not possible to state the exact amount which will be received as the same depends upon exercise of rights by shareholders. If all 593,750 shares are subscribed for the Company would receive \$118,750.

The Company intends to use the funds to be received to carry out exploration of an uranium prospect in the Baie-Johan-Beetz area of the Province of Quebec and thereafter to the extent possible, to do general exploration and prospecting and acquire and/or examine other mineral prospects of potential merit. The Company's consultant, O.A. Seeber, has detailed in his letter of May 14, 1968, reproduced herewith, the work done on the Johan-Beetz area claims during the 1967 season. He has recommended additional prospecting this year at an estimated cost of \$10,000. Mr. Seeber in his said letter also recommends a preliminary study of the Bourlamaque Township claims in the Province of Quebec held by the Company, with a view to finding base metal deposits. The property was previously explored for gold with only limited efforts at finding base metals. He recommends detailed geophysics in areas of known sulphide mineralization with follow-up diamond drilling if warranted, all at a cost of \$35,000. No additional properties will be acquired unless and until notice thereof has been given to and accepted for filing by the Toronto Stock Exchange.

No funds of the Company will be used for the purchase of securities other than those eligible for investment by insurance companies, unless prior notice thereof has been given to and accepted for filing by the Toronto Stock Exchange.

Part of what is now First Orenada Mines Limited property in Bourlamaque Township, Quebec was first staked in 1923 but changed hands many times until it was finally taken over by Orenada Gold Mines Limited in 1938. A number of copper and copper-gold showings on the property, which now comprises about 2,700 acres, have been tested by more than 80,000 feet of diamond drilling and countless geo-physical surveys of almost every known type. Most of the more prominent anomalies have been diamond drilled and usually found to be caused by sulphide mineralization carrying low values in gold and copper. Mineralization is very widespread but to date the Company has not succeeded in delimiting an ore zone of sufficient size or grade to be economic. Despite this, the property still is considered to have worthwhile chances that have not been completely tested by the extensive work done to date. This is because of the widespread mantle of glacial overburden that conceals the bedrock surface and which is sufficiently deep in places to effectively mask geophysical responses.

FINANCIAL STATEMENTS

FIRST ORENADA MINES LIMITED
 (No Personal Liability)
 (Incorporated under the Laws of Quebec)
BALANCE SHEET - APRIL 30, 1968

A S S E T S

Current			
Cash		\$ 5,887.41	
Accounts receivable		<u>7,832.93</u>	\$ 13,720.34
Investments in and advances to other mining companies	- schedule 1		50,071.37
Mining properties, at cost	- schedule 2		50,611.30
Mine development and administrative expenses	- schedule 3		<u>370,159.48</u>
			<u>\$484,562.49</u>

L I A B I L I T I E S

Accounts payable and accrued liabilities	250.00
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S H A R E H O L D E R S ' E Q U I T Y

Capital Stock			
Authorized			
5,000,000 shares of the par value of \$1 each			
Issued and fully paid			
1,187,500 shares		1,187,500.00	
Discount on shares		<u>937,090.88</u>	
		<u>250,409.12</u>	
Contributed surplus		<u>526,227.38</u>	
		<u>776,636.50</u>	
Deficit (unchanged from January 1, 1968)		<u>292,324.01</u>	<u>484,312.49</u>
			<u>\$484,562.49</u>

APPROVED ON BEHALF OF THE BOARD:

I. W. Gordon Director

G. P. Moore Director

Prepared without audit

We hereby certify that there have been no material changes in the items on the Balance Sheet of the Company since date of the said Balance Sheet dated April 30, 1968 and date of the Company's Filing Statement dated May 14, 1968.

FIRST ORENADA MINES LIMITED
 (No Personal Liability)

I. W. Gordon, Vice-President

G. P. Moore, Secretary-Treasurer

FIRST ORENADA MINES LIMITED
 (No Personal Liability)

Schedule 1

SCHEDULE OF INVESTMENTS

APRIL 30, 1968

		<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Advances</u>
16,000	Captain Mines Limited		\$ 1,600.00	\$2,560.00	\$18,585.39
3,000	Northern Canada Mines Limited		7,007.50	3,480.00	
55,000	Wesley Mines Limited		5,500.00	825.00	17,378.48
			<u>\$14,107.50</u>	<u>\$6,865.00</u>	<u>\$35,963.87</u>

FIRST ORENADA MINES LIMITED
 (No Personal Liability)

Schedule 2

SCHEDULE OF MINING PROPERTIES

APRIL 30, 1968

51	Claims located in the Laurentides Mining Division, Township of Bourlamaque, Quebec. (Consideration:- 250,000 shares of capital stock as presently constituted plus \$115.50 cash)	\$50,115.50
15	Claims located in the Johan Beetz Area, District of Duplessis, Quebec. (Consideration:- Cash)	495.80
		<u>\$50,611.30</u>

FIRST ORENADA MINES LIMITED
 (No Personal Liability)

Schedule 3

SCHEDULE OF MINE DEVELOPMENT AND ADMINISTRATIVE EXPENSES

FOR THE FOUR MONTHS ENDED APRIL 30, 1968

Balance, January 1, 1968		\$366,697.30
Expenses for the period		
<u>Mine Development Expenses</u>		
Surface exploration	\$ 3.01	
Mining licenses and fees	<u>1,179.46</u>	\$1,182.47
<u>Administrative Expenses</u>		
Bank charges	2.00	
Capital and place of business tax	25.00	
Directors' attendance fees	500.00	
General expense	4.00	
Head office administration	1,000.00	
Listing fees	.200.00	
Office supplies	12.16	
Telephone and telegraph	37.65	
Transfer agent and registrar fees	381.56	
Travel expenses	52.15	
Reports to shareholders	<u>65.19</u>	<u>2,279.71</u>
		3,462.18
Balance, April 30, 1968		<u>\$370,159.48</u>

FIRST ORENADA MINES LIMITED
 (No Personal Liability)
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE FOUR MONTHS ENDED APRIL 30, 1968

SOURCE OF FUNDS	\$ --	
<u>APPLICATION OF FUNDS</u>		
Increase in mine development and administrative expenses	<u>3,462.18</u>	
<u>WORKING CAPITAL</u>		
Decrease for the period	<u>3,462.18</u>	
Balance at January 1, 1968	<u>16,932.52</u>	
Balance at April 30, 1968	<u>\$13,470.34</u>	
	January 1, 1968	April 30, 1968
Current assets	\$17,717.26	\$13,720.34
Current liabilities	<u>784.74</u>	<u>250.00</u>
Working Capital	<u>\$16,932.52</u>	<u>\$13,470.34</u>

APPROVED ON BEHALF OF THE BOARD

D. J. Gordon Director
S. C. Gordon Director

ENGINEER'S REPORT

O. A. SEEBER
 41 ABILENE DRIVE
 ISLINGTON, ONTARIO, CANADA

May 14, 1968

The President and Directors
 First Orenada Mines Limited
 Suite 908 - 330 Bay Street
 Toronto 1, Ontario

Gentlemen:

You have asked for a recommendation in regard to an exploration programme for First Orenada Mines Limited for the 1968 field season; I would advise you as follows:

JOHAN BEETZ URANIUM AREA, QUEBEC

The Company holds a group of 15 unpatented claims in Projected Township 1075 of Duplessie County, Quebec that warrant additional work being done this year. On the basis of the airborne radiometric survey carried out over this area in 1967 it appears that the claim group is located too far north to catch the main part of the uranium bearing intrusive rocks however, the limited ground work done on the claims last year has indicated the presence of pegmatite dykes that should be carefully checked on the ground for radioactivity. Base metal values obtained in the same series of rocks on adjacent properties make it mandatory to recommend prospecting the claims for this type of mineralization. Such work should be coupled with the services of a supervising geologist who can visit the prospecting team several times a month. It is estimated that such a programme, plus the cost of maintaining the claims in good standing, will require an expenditure of about \$10,000.

BOURLAMAQUE TOWNSHIP, QUEBEC

The large block of ground that the Company holds in Bourlamaque Township adjoining East Sullivan Mines Limited has seen a great deal of exploration for gold but only limited efforts at finding base metal deposits. Its proximity to the recently announced apparently major copper discovery in Louvicourt Township, a few miles to the east and in the same geological belt makes such a programme worthy of consideration - not only for the main block of First Orenada ground but for the area in general where other properties are available for option. The property is largely overburden-covered, so it will be necessary to do detailed geophysics in areas of known sulphide mineralization. For a preliminary study of this type it

The President and Directors
First Orenada Mines Limited

May 14, 1968

is suggested that a minimum of \$35,000 be set aside for geophysics, follow-up diamond drilling and property examinations in the immediate area. This figure would not include investigation of additional properties acquired in this area; such a figure would have to be estimated on the basis of individual requirements.

Respectfully submitted,

O.A. Seeber

O. A. Seeber
Consultant

OAS:r

O. A. SEEBER

THE ORENADA MINE

C E R T I F I C A T E

I, ORVILLE ALEXANDER SEEBER, of the Township of Etobicoke, County of York, in the Province of Ontario, do hereby certify as follows:

- (1) THAT I am a Mining Geologist, a Member of the Geological Association of Canada and reside at 41 Abilene Drive, Islington, Ontario.
- (2) THAT I am employed by M. J. Boylen Engineering Offices and as such have knowledge of the matters contained herein.
- (3) THAT I am a graduate of Queen's University, a Bachelor of Arts in Geology and Mineralogy and have been practising my profession since 1937.
- (4) THAT I have no direct or indirect interest whatsoever in the properties or mining claims covered by this recommendation nor do I have direct or indirect interest in the shares of First Orenada Mines Limited. I do not expect to receive any direct or indirect interest in the shares or mining claims held by First Orenada Mines Limited.
- (5) THAT my recommendations of May 14, 1968 are based on personal knowledge of the properties herein.

O.A. Seeber
.....

O. A. Seeber, B.A.

Dated at Toronto, Ontario
this 14th day of May, 1968

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.

It is believed that the present Directors of the Company are in such position, dependent upon proxies from a sufficient number of shareholders.

17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.

Number of Shares	Company	Book Value \$	Market Value \$
16,000	Captain Mines Limited	1,600.00	2,960.00
3,000	Northern Canada Mines Limited	7,007.50	3,450.00
55,000	Wesley Mines Limited	5,500.00	825.00
		14,107.50	7,235.00

18. Brief statement of any lawsuits pending or in process against company or its properties.

There are no lawsuits pending or in process against the Company or its properties.

19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.

None

20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.

No shares of the Company are presently in primary distribution to the public. Shares which shall be purchased by shareholders under the proposed rights offering may be offered and sold by such shareholders by way of secondary distribution. Shares which may be purchased by the underwriter named in Item 6 hereof, pursuant to its commitment to the Company, may be offered and sold in primary distribution in Ontario only in compliance with The Securities Act, 1966 and in British Columbia only in compliance with the British Columbia Securities Act. The underwriter has undertaken that no shares will be sold on the Canadian Stock Exchange or to residents of the Province of Quebec.

There are no other material facts. See Schedule "A" on page 3.

DATED May 14, 1968.
CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

FIRST ORENADA MINES LIMITED (No Personal Liability)

"D.W. Gordon"

CORPORATE SEAL

"G.L. Moore"

President

Secretary

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

MIKARIS HOLDINGS LIMITED

"D.W. Gordon"

D.W. Gordon
President

"G.L. Moore"

G.L. Moore
Secretary

